

## INTEGRATING WEG'S BUSINESS UNITS: HOW TO GENERATE POSITIVE EXTERNALITIES BETWEEN BUSINESS UNITS OF A GLOBAL COMPANY IN THE PROCESS OF INTERNATIONALIZATION?

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### ABSTRACT

**Objective:** This teaching case describes the trajectory of internationalization of a Brazilian manufacturer of electric motors: WEG. The study proposes to reach the following objectives: (a) understand the company's process of internationalization from the perspective of international business theories; (b) analyze why the path of internationalization trailed by WEG Automation business unit occurred sequentially to that of WEG Motors; and, (c) reveal if the network of WEG Motors generated positive externalities to the internationalization of WEG Automation.

**Method:** A real case gives the foundation for a teaching case built over primary and secondary data. Primary data was obtained through semi structured interviews with the director and managers of WEG Automation, carried during late 2016. Interviews were transcribed and jointly used with secondary data, acquired from institutional information available at WEG's website and documents. Moreover, interviewers performed direct observations during long visits to the company.

**Relevance/originality:** Examining the actions of a firm's internationalization process is valuable in the context of emerging multinational companies, particularly when considering different units feed on internal and external competences during the process, corroborating aspects of the behavioral approach of the Uppsala Models.

**Theoretical / Methodological Contributions:** Applying the theoretical lenses of International Business, such as the Network and Uppsala Models to explain the actions of a Global firm's internationalization process and, more specifically, to compare the processes of two of its business units – WMO (motors) and WAU (automation).

**Social / management contributions:** This teaching case is recommended for both undergraduate and post-graduate courses in the Administration, Foreign Trade, and International Management fields, for discussions in themes such as: Internationalization of firms, International Business, Internationalization Theories, and Emerging Markets. Using the case helps improving students' analytical competences regarding the reality of an emerging market firm that becomes a global player.

## 1 INTRODUCTION

WEG is a global company born in Brazil as a start-up in the beginning of the 1960's. WEG's vision is being a global reference for machines and electrical industrial systems, with a wide range of products, providing efficient and complete solutions. The company believes it should be an agent of transformation, providing complete

solutions to its customers' businesses. In order to get there, throughout its path, WEG has continuously expanded its business through internationalization as well as the opening of new business units. One might say WEG business units make a well diversified family of businesses (Table 1). In this family, the eldest is WEG Motors – WMO and its successor is WEG Automation –WAU.

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**Table 1** - WEG Business units.

Business units	Products
WEG MOTORS (WMO)	-Low voltage industrial electric motors -Single-phase motors for household appliances
WEG ENERGY (WEN)	-Medium voltage electric motors -Electric generators, including wind generators and DC motors
WEG AUTOMATION (WAU)	-Components for command and protection of motors and maneuver and protection of electric circuits -Drives (electronics) for variation of speed of electric motors -Frequency inverters for the generation of solar energy -Electrical panels and electric industrial systems
WEG TRANSMISSION AND DISTRIBUTION (WTD)	-Transformers for the transmission and distribution of electric energy. -Substations. -Medium voltage sectors.
WEG PAINTS (WIT)	-Liquid and powdered paints. -Electro insulating varnishes.

Source: adapted from WEG Annual Report, 2016.

Despite the synergy between WMO and WAU, which gives them potential economy of scale and scope, they still face different challenges in the conduction of their businesses. Being the first of WEG's business units, WMO is a reference for the conduction of business in younger units such as WAU. Thus, the decisions that guided WMO internationalization's path may serve as knowledge basis and generate positive externalities (advantages) for WAU's internationalization. However, for externalities to occur, there must be knowledge transference between the WMO and WAU units, that is, it is necessary to question and understand the previous experience of WMO's internationalization so that WAU can design its strategies and direct its actions towards enjoying this previous experience and find the synergies to use in its own internationalization path. On the other hand, in order to implement its own strategies, WAU also needs to distinguish the differences and particularities between trajectories.

Due to the possibility of taking advantage of WMO previous experience while regarding the differences and particularities between units, Vicente, the new WAU manager, has some doubts on how to conduct the unit's internationalization:

"Should we follow an internationalization path similar to that of WMO? – Or should we travel a new path? – We know WAU has different commercial needs from WMO's, so how can

we take advantage of WMO previous experience with internationalization to make our own process easier? To answer those questions, WAU unit's manager started understanding WEG's internationalization trajectory by questioning decisions regarding WMO choices, namely: - Which were the international markets chosen and why? How did WMO choose to enter those markets? Why did WMO decide to broaden its international markets and operation mode?"

### 1.1 WEG's foundation and internationalization early years

In the 1960s, three friends - Werner Ricardo Voigt, Eggon João da Silva, and Geraldo Werninghaus – decided to start an electric motors factory in Jaraguá do Sul, a small town in Santa Catarina, south of Brazil, with less than 20 thousand people at the time. It was a modest beginning, the company's name originated from the initials of the names of its founders (WEG) and the initial capital was formed by a figure corresponding to three low-cost automobiles.

The company started its activities in a rented property of around 200m<sup>2</sup> and the owners divided the responsibilities between themselves according to each one's vocation: Werner dedicated himself to technology, Eggon to management and Geraldo to production. Individual talents that were complemented in their differences. The expansion

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of production and the number of employees during the 70s was substantial and the business had positive results. Initially, the company's focus was to establish itself and grow in the domestic market. But the first sale opportunity arose in a foreign market and the company started selling, "as long as it didn't have to go after sales".

With positive results in the domestic market and the first export opportunity came the strategic deadlock. One of the partners thought they couldn't miss the opportunity to grow exports; another, believed the domestic market should be the central scope and if they went through with internationalization, they would lose focus. The third partner has the idea that they should invest in the domestic market growth as much as in the external market.

The first partner said: - "The company's focus must be to consolidate and grow in the domestic market. It will not be easy to keep up with foreign markets, because the company is unknown." But the second argued: - "I disagree, sales opportunities arose abroad, why must we ignore it? The hard part will be establishing a network of distributors, but it is possible. Let's observe which company already has bought from us frequently or have any knowledge of the company's products and make contact with them seeking partnerships to sell in their country." When the third suggests: "So, let's try Latin America and participate in fairs to feel the market. What do you think?"

The partners reached consensus and decided to implement the internationalization process while still investing in the Brazilian market growth. In order to face this challenge WEG had to design a strategy to start international operations, but then doubts came up:

"What do we expect to gain with internationalization that couldn't be achieved in the domestic market? How to lead international business beyond sporadic foreign purchase orders? Which market to focus? Which areas and competencies must be developed for a successful process?"

So, they followed through with internationalization via exports – with no market knowledge or foreign contacts whatsoever. The first foreign customers were companies from Latin

America, basically Bolivia, Ecuador, Uruguay, and Paraguay (where they first exported to). However, it wasn't easy to keep up in these markets, since the company was not known.

While growing in foreign markets, the company improved its portfolio of high-end motors. It was at that time that they began manufacturing the IP44 motor, with design, body, and cast developed with imported technology, which combined with local technology formed the motor's core. Despite foreign markets not being company's main strategic focus, international norms had to be followed so that there were no risks of incompatibility with the determinations of international regulatory bodies. Thus, when technology from Europe was imported, International Electrotechnical Commission (IEC) norms were adopted. For that, the company chose to make an agreement with a German company to manufacture the first products according to European standards. This is how the company started selling solutions as opposed to just motors, increasing the aggregate value of its products and progressing in the value chain.

As a result, by the end of the 70s WEG had become the largest manufacturer of such products in Latin America, placing the company ahead of its competitors. In 1973, the company was already exporting to around 20 countries and in 1975 about 32 countries were buying WEG's motors.

## 1.2 The continuity of WEG internationalization process

Growing in the foreign market required changes in the organizational structure. This was the time to quit sporadic exportation. The company found out exporting only the surplus production did not work due to complications in production planning. Hence, they introduced a new mindset: "Exporting is part of our business". This imposed a series of challenges, like establishing a goal for international market revenues and creating a structure dedicated to it.

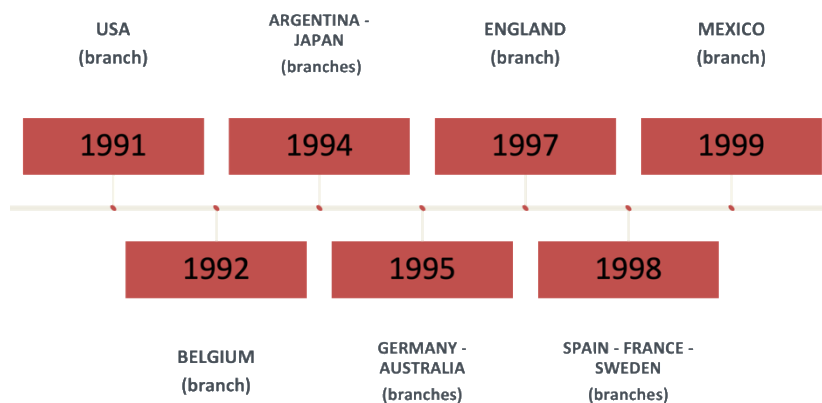
The beginning of the 1980s was marked by the growth of the network of representatives and distributors. With the clear strategic intention of extending sales abroad, a big problem in the internationalization model needed to be solved: a

great dependence on distributors. A lot of them did not have the same ambitions regarding sales growth and so it was time to create a system to make faster and more efficient decisions possible.

At the same time, with the growth in sales came the need for a technical assistant's network, since it wouldn't be possible to sell a product without post-sale support. Thus, the company searched the foreign market for professionals that knew how to work with the product and could provide technical assistance. That was no easy task, as most of them were already working for other big companies.

With the new challenges came new questions. "There were no doubts about Exporting being an important part of the business, but the changes in organizational structure would incur in costs. How would they manage the new challenges? Would the opening of trade offices abroad be a good alternative to keep growing internationally?"

Apparently yes, since in the 1990s WEG began opening trade representations overseas, starting with two in the USA, one in Florida (WEG Electric Motors Corporation) and one in Baltimore, aiming at the insertion of WEG into one of the largest channels of distribution in that country. The company also planned to grow the distribution of its products in the Mexican and Canadian markets through NAFTA (North American Free Trade Agreement). The same strategy was adopted towards Europe. In the year of 1992, an office was opened in Belgium (WEG Europe) with the goal of increasing European market sales. Latin America was not left out and offices were opened in Argentina (Buenos Aires and Santa Fé) focusing on Mercosur sales. In the late 90s, further offices were opened in Japan, Germany, Australia, England, Spain, France, Sweden, and Mexico, as per Figure 1.



**Figure 1** - Timeline of WEG's first trade offices  
Source: Melo (2010, translated).

In 1994, WEG started a joint venture with an Argentinean company, but after two years the partnership went through difficulties in perpetuating business. The opening of offices overseas was a very intense period in the internationalization process, demanding the development of many new competences, since each country has its own legislation. Therefore, local specialists were hired in each country so that the investments were made on a solid juridical basis. Another obstacle that needed to be overcome at the time was the image of Brazil,

which was still seen as a third world poor country. This created the demand for investments into building a more positive image of Brazil. One of the strategies used was bringing current and future clients to Brazil and presenting WEG's location and the industrial complex of Santa Catarina.

Thus, the 1990s were marked by WEG's international expansion through the opening of trade representations in various countries in different continents. This was the time when company understood that to keep growing in

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those countries they would need to, once more, deepen their commitment to those markets and enjoy their own competitive advantages as well as the advantages of the countries in which they might start factories.

And one more time strategic doubt arose: "Should we give a new leap into the internationalization process by opening factories abroad? Can't we simply license other factories to produce our goods? What are the advantages and risks of opening factories overseas? "

Despite all uncertainties, WEG opted for widening its international businesses by opening factories abroad. Therefore, the 2000s were marked by the opening of factories in countries such as Argentina, China, Mexico, and Portugal, and by the maintenance of the trade offices implementation process. Other important steps taken were the acquisition of motor factories in China and the building of units (Greenfield) in India, both initially focused on their respective markets.

The Mexico factory, acquired in 2001 focusing on supplying both Mexican and American markets, is one of WEG's largest branches today.

A big challenge at this stage of the internationalization process was the difficulty in finding out how to best implement WEG's culture into branches abroad. WEG's values, such as teamwork, worker and product efficiency, flexibility, innovation, and leadership had to be spread all around. With that purpose, WEG sent trained Brazilians as interns to work at the overseas branches while bringing foreign workers to participate in trainings and internships in Brazil, allowing them to learn about the culture of the parent company.

The different phases of the internationalization process are highlighted in Figure 2. As company expanded its role abroad, the external market started representing a great deal of its financial returns. In 2016, nearly 30% of the company's employees worked abroad and nearly 45% of its revenues came from foreign markets, making the company a global enterprise.

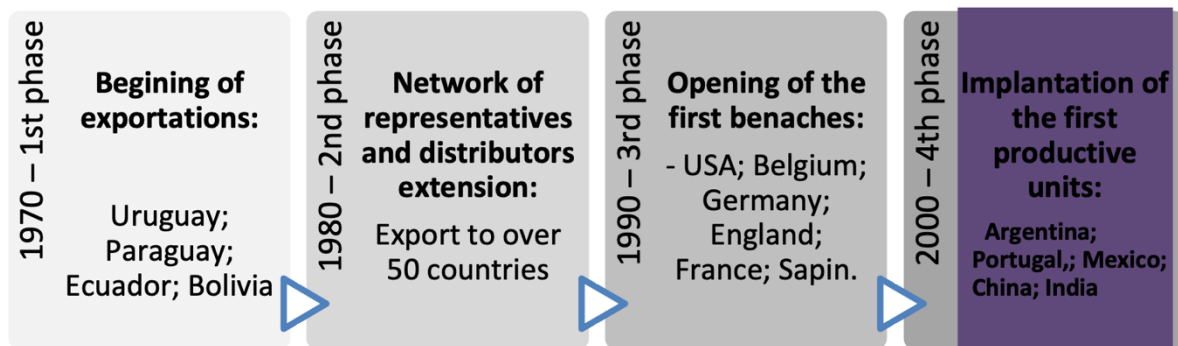


Figure 2 - Summary of WEG's internationalization process phases  
Source: Melo (2010, translated).

Now that Vicente understood how WMO conducted its internationalization path despite the different challenges faced in different parts of the process, as well as the implemented solutions, he could envision how to conduct WAU's internationalization. As he is the new manager, he must study WAU's internationalization's trajectory in order to design strategies for generating positive externalities accruing from both WMO and WAU's previous experiences.

### 1.3 Unit WEG Automation (WAU) and its internationalization

WEG Automation (WAU) was founded in 1981 in Jaraguá do Sul-SC, as part of the diversification strategy adopted by the WEG group in the 80s. The unit is subdivided in two parts: Serial Products and Panels and Systems, as per figure 3.



**Figure 3** - WEG Automation's Portfolio  
Source: WEG SA (2016).

Vicente had already understood that WMO internationalization process had different stages and that each one of them demanded distinct strategic decisions for the challenges inherent to the maturity of the process. Like WMO, in the beginning of WAU operations it was necessary to strategically define where to grow: just the domestic market, just the external market or both.

After deciding to grow internationally, WAU started fueling its internationalization process. By this time WMO was already operating in multiple continents with well-established trade offices, which widened WAU's range of options. WMO distribution channels – independent distributors or trade representations - all around the world were open to WAU. As the customer who buys an electric motor also needs drives for speed variation, controls for command and protection of electric circuits, and complete panels and systems, WMO and WAU have great product synergy. Thus, one of WAU's options for exporting was placing its products directly in the hands of those distributors or trade offices. However, drives sale is a complex task that requires high-level staff training and efforts in brand recognition. A new player in high-end products faces established multinationals present in the market, which results in a long way to recognition.

Vicente needed to understand the strategic definitions of the start of WAU's internationalization: "What were the advantages of internationalization? What kind

of results could they expect? Where should they start and how? How could they create synergy from WMO previous experiences? "

The first exports went to Uruguay and, soon after, WAU began approaching other neighboring countries of Latin America. In 1997, WAU decided to enter the North American market, where great efforts had to be made to meet legal requisites, such as providing product certifications and manuals in English. More confident, at the beginning of the 2000s the company decided to enter Europe, one of the most demanding international markets. Entering this market meant greater efforts than ever before. Obtaining CE products certification demanded complex electromagnetic compatibility tests (EMC), agreements with the University of Wuppertal in Germany, and investments in new manufacture processes.

Shortly thereafter, the company sought the support of other universities in North America and Europe, while starting sales for South Africa and Australia. In 2013, another important step towards WAU internationalization was taken, with the founding of its own Research and Development center for Solar Energy in Freiburg, Germany. Solar Energy is a promising market in Brazil and the world, and it constitutes an important market segment for technology drives. At the same time, WEG started acquiring and building electrical panels factories worldwide: South Africa, Argentina, Colombia, Spain, and USA. These

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acquisitions were necessary for WAU to begin placing its products (Drives and Controls) in the solar panels sold in those countries. Still in 2013, entered a Joint Venture named JEWEC for the supplying of equipment, electrical solutions for drillships and electrical modules (electrical rooms of up to 500 tons). The year of 2016 was another important date in WAU'S internationalization

trajectory, for it officially "incorporated" the electrical panel and systems factories of Valencia (Spain), Johannesburg (South Africa), and Bogota (Colombia). That way, these three operations started being technically and managerially coordinated by WAU's business unit in Brazil. Table 2 summarizes the different phases of WAU's internationalization process.

**Table 2** - WEG Automation - WAU Internationalization Phases

Phases	Correlation with WMO phases	
	Period	Description
1 – Beginning of exportations	1997	Sales to countries in Mercosur and North America.
2 – Market's expansion	2000	Sales to Europe, South Africa, and Australia (synergy with previously opened WMO branches).
3 – Internationalization	2013	JEWEC Joint Venture, in USA.
4 – Globalization	2014	Formation of an R&D center in solar energy in Freiburg (Germany).
	2016	Consolidation of panels manufacturing operations abroad (Autrial, FTC e ZEST – Shaw Controls)

Source: Research data (2016).

WAU'S internationalization process was long and has been consolidating for the past 20 years. Annually, WAU exports to over 40 countries directly and indirectly through its offices, with 1/3 of revenues coming from exportations or abroad operations. Internationalization was an important strategy to WAU, representing growth in business and revenues and reduction of domestic market dependence. WAU has approximately 10 expatriates in different countries, each one with very specific jobs. As WAU's internationalization process went through, employees felt the need to internationalize as well. For that, WAU provided incentives for languages learning and, with time WAU started placing its workers abroad for given periods of time so they could bring back what they'd learned and apply it on WAU's products.

In 2017, WAU had reached some important positions: leader of frequency inverters and soft-starters in the Brazilian market; the largest Brazilian manufacturer of command devices, maneuver and low voltage protection; the largest manufacturer of electrical panels in Latin America;

leader of electrical centers supply in Brazil focusing on industry, building automation, urban mobility, solar energy, machine operational safety and critical power; Factories spread across Brazil, in Jaraguá do Sul (SC), Itajaí (SC), São José (SC), and São Bernardo do Campo (SP), plus 4 factories worldwide, in San Francisco (Argentina), Bogota (Colombia), Johannesburg (South Africa), and Valencia (Spain). Nowadays, WAU is the sole drives manufacturer in the Southern Hemisphere, competing with many sector giants, such as Siemens (Germany), Rockwell Automation (USA), Schneider Electric (France), Mitsubishi, Toshiba and Yaskawa (Japan). While the company consolidated its position in the Brazilian market, it expanded its scope of activity diversifying geographically to new markets abroad.

Observing the comparative analysis between the two business units' internationalization processes, as per Table 3, Vicente concluded that even if WAU's internationalization process was facilitated by WMO previous experiences, it still had to face many specific challenges. Amongst

them, Vicente highlighted: (a) being a high-end products company with headquarters in the Southern Hemisphere, no tradition in this business, competing with global well-established market players; (b) the need to build partnerships with companies, universities, and research centers for the obtainment of high-end technology that could

be incorporated into its products; (c) gradual and permanent effort for expanding market participation and attaining scale gains and, consequently, competitive costs.

**Table 3** - Comparative analysis between WMO's and WAU's internationalization processes

Internationalization Process	WEG Motors (Founded in 1961)	WEG Automation (Founded in 1981)
Latin America (A) Entry date (B) Entry strategy (C) Growth strategy	(A) 1970 (B) Exports to Mercosur Distributors (C) Opening Trade Offices	(A) 1997 (B) Exports to Mercosur distributors (C) Use of WMO offices to place WAU's products
North America (A) Entry date (B) Entry strategy (C) Growth strategy	(A) 1991 (B) Opening of representation in Florida (WEG) (C) Approach to the OEM market	(A) 1997 (B) Use of WEG's offices to approach distributors (C) WEG's panels factory establishment
Europe (A) Entry date (B) Entry strategy (C) Growth strategy	(A) 1993 (B) Opening of WEG Euro (Belgium) (C) Opening of offices in important WEG's markets	(A) 2000 (B) Use of WMO's offices to approach distributors (C) Panels factories opening in Spain and other countries (Future)
Asia (A) Entry date (B) Entry strategy (C) Growth strategy	(A) 2000 (B) Acquisition of existing factory in Brownfield (China) (C) Acquisition of additional factories and establishment of an oversight board in China.	(A) 2015 (B) Expatriation of a drives specialist engineer to the Chinese branch (C) Acquisition/Building of own factories.

Source: Research data (2016).

#### 1.4 New challenges for WAU's internationalization process

Nowadays, WAU's main operation focus is on the USA, China, Europe, and Latin America markets, but more particularly the Americas, since WAU sees it as an obligation to be the leader in its own continent. Brazil has a good reputation among countries in Latin America, so there's great acceptance when WEG's brand is mentioned in these markets. On the other hand, an increase in participation on the North American market will require even greater efforts. The strategy there is based on efforts of cost reduction and products certification while WEC (WEG Electric Corporation) seeks to enlarge its special panels for Original

Equipment Manufacturers (OEM'S) market participation.

In Europe, WEG replicates the strategy of approaching special panels for OEM'S markets. It believes in order to magnify this effort they will have to acquire new special panels factories. Recently, a project that may be considered a pilot for the whole WEG group was also initiated. One of WEG's engineers was assigned to work at ERIKS, in the United Kingdom. ERIKS is a big industrial equipment distributor in Europe and has been distributing WEG's products for a while. This engineer's task was to increment the offer of WEG's products, particularly Drives. It is important to note that even if it had a new approach to the business model, WAU was still following the trail previously opened by WMO. ERIKS was an old



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customer of WEG's business branch in the United Kingdom (WEG - UK) and had already stated WEG's motors were recognized and requested in all the markets he operated. With this new step, WAU intended to reach the same results with its drives and controls.

WAU's next challenge is to enter the Asian market. Currently, the company has a drives specialist engineer working at WEG's unit in China, with the task to prospect and start WAU's operations in that market. Because of low-cost products market characteristics and not that many options of local companies to acquire, WAU's strategy will most likely be building a new local plant (Greenfield). Again, following the steps of WMO, this plant will enjoy the available spaces in one of the industrial complexes established by the company in the country.

Based on the information regarding WAU's internationalization path, Vicente still needed to understand: "Why did WAU and WMO opt for increasing their commitment with the international market to the point of building factories and R&D labs in other countries? From this point, Vicente's management challenge was to keep WAU's international expansion. But where should he put his efforts? What will be the challenges of this new phase? And which possible synergies can be obtained by WAY from WMO previous experiences?"

## 2 TEACHING NOTES

### 2.1 Teaching objectives

This teaching case proposes a discussion regarding the internationalization path of two of WEG's business units, WMO and WAU, in manner for students to analyze and critique the decisions made in the light of Behavioral Theories of the internationalization process. The case's narrative describes WEG's internationalization path and introduces a fictitious protagonist, Vicente, as the new WAU's manager who need to evaluate the decisions previously taken by WMO and WAU for subsidizing his future decisions for the continuation of WAU's internationalization.

By evaluating past decisions and possible positive and negative implications, students develop decision-making ability regarding the management of international businesses.

In this vein, the case proposes to fulfill the following objectives:

- Understanding the company's internationalization process.
- Analyzing why the path chosen by WAU in the internationalization process occurred in a sequential manner to that of WMO.
- Revealing how WMO generated positive externalities to WAU'S internationalization.

### 2.2 Data sources and gathering methods

Primary and secondary data were used for the development of this teaching case. The primary data was obtained through a semi structured interview with WAU's director and managers, during late 2016. On this occasion, a term of consent was signed to carry the interview and use the company's name. With the objective of preserving subjects' images, names were not disclosed. The interviews were transcribed and used together with secondary data for the development of this teaching case. Secondary data was obtained through institutional information available at WEG's website and company documents. Because it is a public company, there's a great deal of organizational information available online. Besides, the interviewers performed direct observations during long visits to the company, at the same time the interviews were taking place.

### 2.3 Relationship with the objectives of a course or discipline

This teaching case was developed in view of its application in disciplines of international business, which involves themes of internationalization strategies as much as those of internationalization theories. The proposal of this teaching case is enabling students to evaluate how this company's internationalization process happened and

which theories give support to this case analysis (Uppsala and Networks); comprehend companies' internationalization processes; and reflect about emerging countries companies' internationalization challenges and strategies.

## 2.4 Target Audience

This teaching case is recommended for both undergraduate and post-graduate courses in the Administration, Foreign Trade, and International Management fields, but also in MBA courses in International Business. Subjects such as: Companies' Internationalization. International Business Management. Internationalization Theories. Emerging Markets.

## 2.5 Suggestions for case use: Planning and execution

For the teaching case's application, the organization may trail distinct paths from the one proposed here, since there is special attention paid to three moments: before, during, and after teaching case's approach. In this perspective, it is suggested case's application is synchronous, in presential classes or online, and that the three moments occur in different periods.

### 2.5.1 Before case's application

The period preceding case's application aims at preparing students for better engaging the case. That way, its goals are: (1) creating engagement between students and the case; (2) organizing the teams; (3) working theoretical aspects that permeate the case and equipping students with analysis lenses.

To operationalize this phase, a WhatsApp group can be created for engaging students in research activities such as searching for company's videos and annual reports. Besides, the teacher may interact with the group by bringing knowledge "pills" regarding the concepts to be applied to the case or creating quizzes that make students take a position to help forming teams. For that, students must have previously read the teaching case, researched about the company, answered the quiz, and studied the theoretical bases. We suggest the

paper "Compared evaluation of descriptive and explanatory scopes of the principal firm's internationalization models" (Carneiro & Dib, 2007).

For the quiz, the teacher may use online tools such as Survey Monkey. It is desirable quiz creates polarization among students' opinions. An example of question would be: "Do you believe potential internationalization gains overlap the risks and costs associated to international operations?" based on the answers, the teacher may organize teams by opinion kinship.

The case was elaborated for three teams, one approaching WMO internationalization matters (part 1), another approaching WAU's internationalization matters (part 2), and the last one approaching the comparison between the two unit's internationalization (part 3). Guiding questions for each part are present throughout the teaching case's narrative.

### 2.5.1.1 Theoretical presentation: Theoretical Background for Analyzing the Decisions in the Internationalization Process

For applying this teaching case it is necessary that the theories and concepts that permeate the analysis are previously approached. It is recommended the teacher previously approaches the behaviorist theories of the internationalization process: Uppsala Model (U-Model), Network, and International Entrepreneurship.

Regarding the U-Model, it is necessary to look at the concept of psychic distance, which approaches international market choice, especially in the beginning of internationalization, and the concept of establishing operations, which approaches entrance strategies to international markets and the rise in level of firm commitment to foreign markets. For the theoretical class organization, we suggest the following literature:

\* Cavusgil, S. T., Knight, G., Riesenberger, J. R., Rammal, H. G., & Rose, E. L. (2014). Part 4 Entering and Operating in International Markets. In: International business. Pearson Australia;

\* Carneiro, J., & Dib, L. A. (2007). Avaliação comparativa do escopo descritivo e explanatório dos principais modelos de internacionalização de empresas. (Compared

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evaluation of descriptive and explanatory scopes of the principal firm's internationalization models.) Revista Eletrônica de Negócios Internacionais (Internext), 2(1), 1-25.

It is also important to approach the organizational competences for internationalization. For this topic, we recommend the title *Brazilian multinationals: competences for internationalization* (Fleury & Fleury, 2011).

Hereinafter we present some examples that may be in teacher's previous theoretical exposition:

- (1) The decisions inherent to the internationalization process, namely: Why, What, When, Where, and How, according to Internationalization process behavioral theories, enticing U-Model, Network, and International Entrepreneurship

Teorias	Por quê?	O Quê?	Quando?	Onde?	Como?
<b>Modelo de Estágios de Uppsala</b>	Busca de mercado.	Sem restrições em termos de produtos, serviços, tecnologias ou atividades ( <i>implícito</i> ).	<u>Momento inicial:</u> saturação do mercado doméstico; <u>Expansão:</u> conforme o conhecimento for gradualmente obtido pela experiência internacional.	Para países com "distância psíquica" em relação ao mercado doméstico menor no primeiro momento e, depois, gradualmente crescente.	Em estágios de comprometimento gradual de recursos (primeiro, exportação; depois, escritório de vendas até ter produção no novo mercado).
<b>Networks</b>	Seguir movimentos de outros participantes da rede ou desenvolver relacionamentos em novas redes (internacionais).	Sem restrições desde que seja do interesse de outros participantes da rede ( <i>implícito</i> ).	Quando a rede de negócios assim compelir, ou seja, quando houver necessidade de criar ou desenvolver relacionamentos.	De acordo com as redes internacionais estabelecidas ou almejadas.	Comportamentos diferentes de acordo com o grau de internacionalização da própria empresa e de sua rede.
<b>Empreendedorismo Internacional</b>	Procura de novos mercados; atendimento a solicitações espontâneas; reestruturação da indústria.	Abordagem não é explícita, mas não faz restrições. Dependeria do perfil do empreendedor.	Quando o tomador de decisão julgar adequado.	Países que originam pedidos; onde houver demanda potencial; onde houver oportunidades de reestruturação.	Solicitações podem levar a exportação ou licenciamento; consolidações seriam feitas via fusões ou aquisições; busca de mercados, pela criação de novos canais.

Figure 4 – Internationalization process theories and decisions  
Source: Dib and Carneiro (2007).

(2) Entry and international operation modes

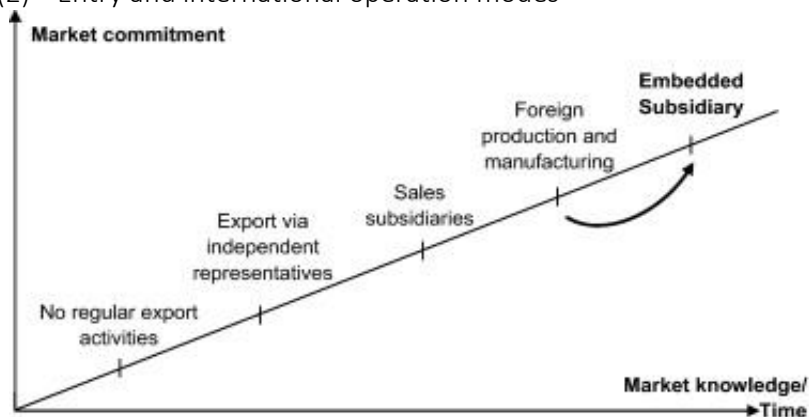


Figure 5 - Establishment Chain and Internationalization's Stages – Uppsala Model  
Source: Schuster and Holtbrügge (2012)

(3) Psychic distance conceptual framework

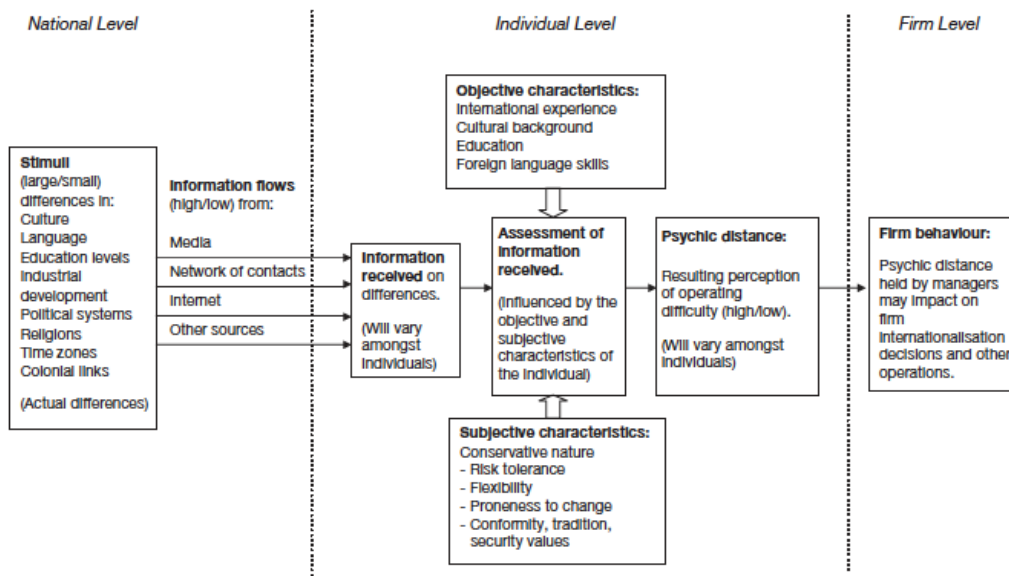


Figure 6 - Psychic distance conceptual framework.

Source: Smith, Dowling, and Rose (2011)

(4) Organizational Competences for Internationalization

Business model	Planning competence	Establish and implement business strategies; core function: planning
	Organizing competence	Establish and implement management systems; core function: organizing
Operations	Technological competence	Add value to products and processes; core functions: research and development and engineering
	Production competence	Do things (goods and services); core functions: production and logistics
	Commercial competence	Deliver (goods and services); core function: sales
Support	Human resources management (HRM) competence	Capture, develop, and compensate human resources; core function: HRM
	Financial competence	Resource allocation and investment; core function: finance
Market relationships	Customer relationship management (CRM) competence	Bring the company close to its customers; core function: marketing (market intelligence)
	Supply chain management (SCM) competence	Implement and manage a network of suppliers; core functions: purchasing and inbound logistics

Figure 7 - The profile of corporations' organizational competences

Source: Fleury and Fleury (2011)

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### 2.5.2 During case application

The meeting destined to case application aims at (1) Analyzing and discussing choices and the internationalization path taken by WMO and WAU business units according to the questions presented in the case; (2) presenting and discussing results.

For this meeting it is important students have participated in the activities of the previous phase. Teacher may organize the meeting for case application into four moments. The first is the ice-breaking moment of validation of students' activities. The teacher may question students about specific case points such as: What is the case about? Who's the leading figure? What are the dilemmas faced? In the second moment the teacher organizes students into three teams, designating members and explaining case's approach: (Team 1) will approach WMO internationalization, (Team 2) will approach WAU internationalization, and (Team 3) will approach the comparison between both Business Units internationalization process and WAU's internationalization continuity. In the third moment teams will present their analysis. In the fourth and last moment participants have the "general assembly" with the teacher's intervention regarding the interactions between the analysis and applied concepts.

We suggest that in the third moment of case analysis the teacher guides teams regarding the dilemmas and doubts presented in the teaching case's narrative. Teacher may investigate potential tensions or reflections, instigating students to analyze risks and possible negative implications associated to each decision. Below, we bring teams guidance, with issues to be analyzed and reflections and tensions to be instigated by the teacher in the analysis and/or group presentation.

#### Team 1 – WMO's Internationalization process

- What do we expect to gain with internationalization that couldn't be achieved in the domestic market?

Besides exploring internationalization motivations and benefits, the teacher may incite students to think about risks associated with the

operation of foreign markets, especially the Four Risks in Internationalization: commercial, monetary, country, and intercultural (Cavusgil et al, 2014).

- How to lead international business beyond sporadic foreign purchase orders? Which market to focus?

The teacher may verify if students analysis of WMO's market entrance choice was based on the psychic distance concept, that is, subjectively near markets that would demand less investment. Teacher may also instigate the reflection regarding market choice based on subjective criteria being prone to error. Frameworks such CAGE Distance Framework (Ghemawat, 2001), which specifies all types of distances (cultural, administrative, geographic, economic) to be considered between country of origin and target market, are useful in this type of analysis and may guide towards better decisions regarding which markets to enter.

- Which areas and competences must be developed for a well-succeeded process?

Here the teacher may emphasize the importance of structuring and planning the internationalization process, using the organizational competences highlighted by Fleury and Fleury (2011) as references, while also inciting reflections regarding the need to invest time and resources to structure a sustainable internationalization process in the short and long terms. Besides required adaptations the development of competences and capabilities, both on firm and individual levels, will permeate the internationalization process through time. The teacher can also enquire over the trade-off of obtaining knowledge from international markets according to the premises of the U-Model (1977), accruing from firm's own experiences. The U-Model 2009 version broadens this premise emphasizing knowledge can also come from network.

Besides the aforementioned topics, in the moment of the presentation the teacher may mention WMO's strategy of building relationships with local professionals to help developing trade operations abroad in order to overcome its lack of market knowledge or foreign countries. Since the company was unknown, it wasn't easy to keep up

in the foreign market. The challenge was establishing a network of distributors. Initially, they observed which companies had frequently bought or had any knowledge of their products. Looking at these data, they would contact them seeking partnerships to place their products in partner's countries. That's how exports started in Latin America. Participation in fairs abroad was also essential. The business was growing in the international market, focusing primarily in America, until the first container was shipped to Canada.

- With the new challenges came new questions. There were no doubts about Exporting being an important part of the business, but the changes in organizational structure would incur in costs. How would they manage the new challenges? Would the opening of trade offices abroad be a good alternative to keep growing internationally?

Regarding these aspects, it is interesting the teacher highlights:

- The holding WEG Exports was founded, focusing on exports. This gave the foundations to a new process phase, which represented substantial developments in markets internationalization.
- The solution was the replacement of some distributors with own trade offices. In some cases, the distributor's company was bought because it already had its own inventory, known employees and an established brand.
- The solution for that was to hire technical assistants, invest in their training, giving the conditions in which, they could develop and provide good customer support.
- According to the establishing chain concept, the next step after consolidating exports is opening trade offices in manner to increase participation in the markets it already operates.
- Should we give a new leap into the internationalization process by opening factories abroad? Can't we simply license other factories to produce our goods? What

are the advantages and risks of opening factories overseas?

Here the teacher can emphasize that according to the establishing chain concept, after market consolidation through trade offices, company's next step would be opening factories. From this point, it is interesting that the professor emphasizes that behavioral theories are not able to explain the advantages and risks of foreign direct investments (FDI), for such an answer would require understanding the economic theories that explain the advantages and motivations of establishing manufacturing subsidiaries abroad (as exposed in Chapter 14 of Cavusgil et al, 2014).

Team 2 – WAU's Internationalization process

- Vicente needed to understand the strategic definitions of the start of WAU's internationalization: What were the advantages of internationalization? What kind of results could they expect?

The teacher can highlight the following reasons to expand internationally: market diversification, aiming at reducing internal market dependence and seeking further markets to sustain company's long-term growth; scale gains and competitiveness increase, coming mainly from the possibility of acquiring components in bigger volumes and better prices and gains in production efficiency. It is also important to instigate students to think about the risks associated with operating foreign markets, particularly the Four Risks in Internationalization: commercial, monetary, country and intercultural (Cavusgil et al, 2014).

- Where should they start and how? How could they create synergy from WMO previous experiences?

The case emphasizes that the first export was to Uruguay and, soon after, WAU began approaching other neighboring countries of Latin America, due to geographic proximity and easy access from Brazil. This is a good moment for the teacher to remind students of the concept of psychic distance, emphasizing the risks of making a decision based merely on subjective criteria. However, as WAU gained international experience, it deepened its commitment and expanded to bigger markets, more mature and demanding, as pointed in case's

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narrative: More confident, at the beginning of the 2000s the company decided to enter Europe, one of the most demanding international markets, and USA, a market that demanded further product adequacy to its high levels of regulation. Here the teacher may guide the students into a reflection over internationalization progress as it gains international experience.

Although WAU was able to use WMO's overseas structure, there were still challenges to be overcome, such as the ones brought in the case's narrative (see page 10). Thus, to solve these issues and as the volume of business grew in certain branches, WEG Automation decided to send specialist technicians and managers of this business unit to perform abroad. In some markets that required high customization (for example, drives inside NEMA panels, in the USA) the company decided to hire engineers with specialized knowledge in this kind of market to work directly at the branch. WEG adopted the strategy of first inserting the WEG Motors unit abroad so it could get to know the foreign market and, soon after, establish contacts, customers, define market sizes, and, later, place WEG Automation abroad.

- Based on the information regarding WAU's internationalization path, Vicente still needed understanding: why did WAU and WMO opt for increasing their commitment with the international market to the point of building factories and R&D labs in other countries?

Here the teacher can emphasize that according to the concept of establishing chains, after market consolidation through trade offices, company's next step would be opening factories. The choice for a gradual internationalization process accrues from the understanding that the more commitment to foreign markets, the more investments and risks associated to opening factories abroad, a good reason for the company to start in a less committed manner (exports) and slowly move to more committed modes (FDI in R&D). Hence it is interesting that the teacher highlights behavioral theories are not the most adequate to explain the advantages and risks related to foreign investments. For that answer, economic theories (as shown in Chapter 14, by

Cavusgil et al, 2014) explaining the advantages and motivations of establishing subsidiary factories overseas should be consulted.

Team 3 – WMO and WAU's internationalization comparative and future plans for WAU

- From this point, Vicente's management challenge is to keep WAU's international expansion. But where should he put his efforts? What will be the challenges of this new phase?

Despite case's narrative having already pointed new strategies for WAU: "Acquisition of panel assembly plants that already performed in OEM's markets to supply special panels/switches with drives and controls from WAU." The teacher may guide the students in the direction of exploring new alternatives for the expansion towards Asia and Europe. The checking point is the internationalization path pattern followed by WEG's business units, which is incremental, based on cumulative experience in a manner that alternatives that accelerate the process might not be on business strategic scope. Another point worth mentioning is WEG and its unit's usual option for opening markets through exportation, expanding through trade offices, and only after market consolidation making Greenfield FDI as opposed to other forms of licensing and partnerships such as joint ventures. Here the teacher may suggest students seek information about WAU's strategic moves in WEG annual reports to confront with analysis' data. New challenge is becoming a technology company that promotes constant innovation to be developed in Brazil and abroad. At the same time, WAU needs to make sure technology is well used, with capacitated and specialized human resources. Besides, there are further challenges in becoming a global company that must coordinate all its worldwide activities.

- And which possible synergies can be obtained by WAY from WMO previous experiences?

The teacher may emphasize the importance of network in WAU's internationalization process. For the growth of WMO and WAU units it is even more

necessary to expand internationally, where they may face some challenges. Network development is a resource employed for company's internationalization that has been proving its value. Therefore, the establishment of networks by these units reduces national operation barriers and challenges and most of the international ones as well. Resources are often supplied by other members of the network or shared in a manner to make it viable for a greater group of companies associated to the networks. It is each unit manager's responsibility to identify the

opportunities of which network to enter as well as the ones in which to remain. It is observed that the WAU's unit traveled a great deal of the way following WMO's internationalization. This process was facilitated by WEG group structure in the foreign market. With that, WAU was largely favored by having harnessed the structure the other units had already installed in the international market, forming a great synergy between them. In Table 4, below, the advantages of network use between WMO and WAU.

**Table 4** - Advantages of network use between WMO and WAU (Teaching Notes)

Advantages of network use	WEG Motors	WEG Automation
Reducing exportation costs	YES	YES
Joint marketing	YES	YES
Generating new business opportunities	YES	YES
Sharing resources	YES	YES
Synergy for technical development of products	YES	YES
Exchanging information and knowledge	YES	YES
Improving customer service	YES	YES
Obtaining international experience	YES	YES
Accessing new technologies	YES	YES

Source: Research data (2016).

In the fourth moment, the opening of the general assembly may be initiated by the teacher coming back to the questions presented in the beginning of the case: Due to the possibility of taking advantage of WMO previous experience while regarding the differences and particularities between units, Vicente, the new WAU's manager, has some doubts on how to conduct the unit's internationalization: - should we follow an internationalization path similar to that of WMO? – Or should we travel a new path? – We know WAU has different commercial needs from WMO, so how can we take advantage of WMO previous experience with internationalization to make our own process easier?

At this moment, the teacher incites a brief discussion between the association of theoretical and conceptual aspects that explain the incremental internationalization processes of WMO and WAU. For that, it is suggested using the following questions as checking point that explain

in a more holistic way matters punctually analyzed by the teams.

- Why did WEG's Business Units choose the incremental internationalization process? (From the perspective of the Uppsala Model)

WEG's internationalization can be analyzed from the categories developed by behavioral theories (Johanson & Vahlne, 1977). Firstly, it is emphasized that the case allows an analysis of the internationalization process, rather than analyzes isolated investment decisions. The processual view facilitates the analysis of interactions between decisions, resources and positioning over time, such as the analysis of resource accumulation and the effects of decisions made throughout the process (Vahlne & Johanson, 2017). The case shows how new knowledge needed to be sought for the company to increase its participation in the international market.



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Two aspects of the Uppsala model - knowledge development and resource commitment - are critical to process analysis. The case shows how the lack of market knowledge and experience in which it intends to invest can cause the company to have difficulties in developing strategies that require larger investments (resource commitment), as occurred in the case of factory establishment. The case also illustrates the incremental nature of the internationalization process, as a sequence of actions, as the company benefits from progressive learning through stages of gradual commitment to foreign markets as it moves from exportation to the installation of trade offices and subsequently for the establishment of factories abroad. Psychic distance, which starts from the assumption that companies tend to expand first to markets where they have greater knowledge and then to unfamiliar markets as they gain experience can be explored in relation to the choices of destination markets made by the company.

- Why WAU – WAU internationalization process took more than 20 years to consolidate?

Both WMO and WAU had the diversification of markets as motivation for internationalizing, aiming at reducing dependence on the domestic market and also the search for more markets to support company's long-term growth. WMO's and WAU's internationalization processes followed the incremental resource commitment model, as pointed out by the Uppsala Model, so consolidation was slower but sustainable. WMO and WAU conducted their internationalization processes sequentially and based on the knowledge gained from its own experiences. As they learned from their experiences in the market, they deepened resource commitment in the respective markets, which eventually slowed down but consolidated.

Initially, the choice of markets was also justified by the assumptions of the Uppsala Model, which evidenced the existence of psychic distance, that is, company's perception that the market is distant, which makes geographic expansion more gradual and consequently slower. According to the Uppsala Model (Johanson & Vahlne, 1977), the internationalization process is understood by the

mechanism of stable conditions and change, based on a market knowledge learning process, and when the company learns it can deepen its resources commitment in that market. This mechanism applied to WAU's internationalization process explains the movements that occurred throughout the process and why it took 20 years to consolidate this process.

- How did WAU's and WMO's internationalization processes explore networks? (From the Networks Theory's perspective)?

The case may also be a starting point for the teacher/facilitator to explore proactive and entrepreneurial character rather than a passive stance that could have compromised the internationalization process, an aspect that has recently been further explored by internationalists (Vahlne & Johanson, 2017).

Networks theory and the importance of relationship networks, another category explored by behaviorists (Johanson & Vahlne, 2011), can also be identified in this case. However, networks go beyond trade relationships. Networks resulting from relationships that form from suppliers, customers, business partners, and governmental or institutional authorities are dealt with in the literature and appear in this case mainly during the process of formation of commercial branches and in the process of acquiring new knowledge (technology). The partnership and alliances with Universities, R&D laboratories was fundamental to explore new innovative capabilities.

- What internationalization competences can be highlighted from the case?

The case allows students to identify new or adequate competences that need to be developed for the company to become global. Previous studies have shown competencies vary according to the stage of the internationalization process (Fleury & Fleury, 2011). Fleury and Fleury (2011) state that production tends to be the first competence to be mobilized for entry into the international market, followed by organization and human resources. In the international expansion phase, significant new changes appear in the

prioritization of competencies for internationalization. Business and customer relationship competences become more important. The most advanced phase of plant installation is the one that requires a greater transfer of the national management model to integrate international units and requires greater expatriation of employees.

The case shows that there was a need to develop a series of competences for operating abroad and that their importance changed throughout the process, such as: technology, management, the competitive advantage that allowed internationalization at first; mastery of foreign languages and the need for employee training occurred during the establishment of commercial branches; knowledge of legal and regulatory aspects of the foreign market, including technical standards; the development of skills for the expatriation of employees especially in the installation phase of factories; partnership management which was a necessary competence throughout the internationalization process, etc. The case report also highlights that the company chose to acquire the “distributor, since it already had its own inventory, known employees and established brand”, which shows that the acquisition may be a way for the company to have access to competences that would take time to develop if the internationalization mode was greenfield, another aspect that can be considered by the teacher/facilitator.

- What challenges were faced by WEG as an emerging market firm and a late mover? (For this point we recommend using it to criticize the traditional international business theories, and to connect with other classes that approach the new international business theories).

The case shows the company, despite having internationalized in the seventies, was a late mover, as when trying to develop technical assistants abroad it faced the barrier that most distributors already had contracts with other large companies”, which meant that it had to “hire technical assistants, invest in training and thus enable them to develop and provide quality support to customers”. But, originating in an

emerging country, it challenged traditional theories by developing an up-market internationalization (Ramamurti, 2009). As Ramamurti (2009) showed, when international business theories were developed in the 1960s and 1970s, internationalization cases that had companies from developing countries making investments in developed countries were seen as anomalies and were rare. The author states these cases are considered “theoretically interesting because they go against conventional wisdom about the direction in which technology, capital and knowledge should flow in the global economy” (Ramamurti, 2009, p.8).

### 2.5.3 Post case application

After case application, it is important to have a moment to evaluate all the learning process, with follow-up of what was learned from applying a teaching case, as well as case’s teachings, and the importance of understanding the theories as a manner to subsidize management practices. This post-case moment can occur synchronically or by an evaluation form. For exchanges enrichment it is suggested this follow-up happen in the following meeting or synchronically with all parts involved.

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## INTEGRAÇÃO DE UNIDADES DE NEGÓCIO DA WEG: COMO GERAR EXTERNALIDADES POSITIVAS NO PROCESSO DE INTERNACIONALIZAÇÃO ENTRE UNIDADES DE NEGÓCIO DE UMA EMPRESA GLOBAL?

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DETALHES DO ARTIGO	RESUMO
<p><b>Histórico do Artigo:</b></p> <p>Recebido em: 04 de fevereiro de 2022 Aceito: 01 de março de 2022 Disponível online: 10 março de 2022</p> <p><b>Sistema de revisão “Double blind review”</b></p> <p><b>Editor Científico</b> Ilan Avrichir</p>	<p><b>Objetivo:</b> Este caso de ensino descreve a trajetória de internacionalização da WEG, empresa brasileira produtora de motores elétricos. Este caso se propõe a cumprir os seguintes objetivos: (a) compreender o processo de internacionalização da empresa sob a ótica das teorias de negócios internacionais; (b) analisar por que o caminho percorrido no processo de internacionalização pela unidade de negócios WEG Automação ocorreu de forma sequencial ao da WEG Motores; e, (c) revelar se a rede da WEG Motores gerou externalidades positivas para a internacionalização da WEG Automação.</p>
<p><b>Palavras-chaves:</b></p> <p>Internacionalização Multinacional emergente Habilidades internacionais Unidades de negócios da WEG Caso de ensino.</p>	<p><b>Método:</b> Caso de ensino, baseado num caso real. Dados primários e secundários foram utilizados para o desenvolvimento deste caso de ensino. Os dados primários foram obtidos por meio de entrevista semiestruturada com o diretor e gestores da unidade WEG Automação, realizada no final de 2016. As entrevistas foram transcritas e utilizadas em conjunto com os dados secundários. Os dados secundários foram obtidos por meio de informações institucionais disponíveis no site da WEG e documentos da empresa e das unidades de negócios. Além disso, os entrevistadores realizaram observação direta durante visitas de longa duração à empresa.</p> <p><b>Relevância / originalidade:</b> O movimento de internacionalização da empresa mostra o seu valor dentro do contexto de empresas multinacionais emergentes, considerando que diferentes unidades se alimentam de competências internas e externas durante o processo, corroborando aspectos da abordagem comportamental dos Modelos de Uppsala.</p> <p><b>Contribuições Teóricas / Metodológicas:</b> O caso contribui em aplicar lentes teóricas de Negócios Internacionais, como a de Network e a do Modelo de Uppsala para explicar o movimento do processo de internacionalização de uma empresa Global, e especificamente para comparar o processo entre duas de suas unidades de negócios - WAU e WMO.</p> <p><b>Contribuições Sociais / Gerenciais:</b> Este caso de ensino é recomendado para cursos de graduação e pós-graduação em Administração, Comércio Exterior e Gestão Internacional, para discussão de temas como: Internacionalização de Empresas, Negócios Internacionais, Teorias da Internacionalização e Mercados Emergentes. A utilização do caso ajuda a aprimorar as habilidades analíticas dos alunos, sobre a situação real de uma empresa de mercado emergente que se tornou um player global.</p>

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## INTEGRACIÓN DE LAS UNIDADES DE NEGOCIO DE WEG: ¿CÓMO GENERAR EXTERNALIDADES POSITIVAS EN EL PROCESO DE INTERNACIONALIZACIÓN ENTRE LAS UNIDADES DE NEGOCIO DE UNA EMPRESA GLOBAL?

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ARTICLE DETAILS	RESUMEN
<p><b>Article history:</b> Received: 17 september 2020 Accepted: 01 october 2021 Available online october: 27 th 2021</p> <p><b>Double Blind Review System Scientific Editor</b> Ilan Avrichir</p>	<p><b>Objetivo:</b> Este caso de enseñanza describe la trayectoria de internacionalización de WEG, una empresa brasileña que produce motores eléctricos. Este caso tiene como objetivo cumplir los siguientes objetivos: (a) comprender el proceso de internacionalización de la empresa desde la perspectiva de las teorías de negocios internacionales; (b) analizar por qué el camino recorrido en el proceso de internacionalización por la unidad de negocio de WEG Automação fue secuencial al de WEG Motores; y, (c) revelar si la network de WEG Motores generó externalidades positivas para la internacionalización de WEG Automação.</p> <p><b>Método:</b> Caso de enseñanza, basado en un caso real. Se utilizaron datos primarios y secundarios para el desarrollo de este caso de enseñanza. Los datos primarios se obtuvieron a través de una entrevista semiestructurada con el director y gerentes de la unidad WEG Automação, realizada a fines de 2016. Las entrevistas fueron transcritas y utilizadas en conjunto con los datos secundarios. Los datos secundarios se obtuvieron a través de información institucional disponible en el sitio web del WEG y documentos de la empresa y unidades de negocio. Además, los entrevistadores realizaron observación directa durante visitas prolongadas a la empresa.</p> <p><b>Relevancia / originalidad:</b> El movimiento de internacionalización de la empresa muestra su valor en el contexto de empresas multinacionales emergentes, considerando que diferentes unidades se alimentan de competencias internas y externas durante el proceso, corroborando aspectos del enfoque comportamental de los Modelos de Upsala.</p> <p><b>Aportes Teóricos / Metodológicos:</b> El caso contribuye a aplicar lentes teóricos de Negocios Internacionales, como el de Network y el Modelo de Uppsala para explicar el movimiento del proceso de internacionalización de una empresa Global, y específicamente para comparar el proceso entre dos de sus unidades de negocio - WAU y WMO.</p> <p><b>Contribuciones Sociales / Gerenciales:</b> Este caso docente es recomendado para cursos de pregrado y posgrado en Administración, Comercio Exterior y Gestión Internacional, para discutir temas como: Internacionalización de Empresas, Negocios Internacionales, Teorías de Internacionalización y Mercados Emergentes. El uso del caso ayuda a mejorar las habilidades analíticas de los estudiantes, sobre la situación real de una empresa de un mercado emergente que se ha convertido en un actor global.</p>
<p><b>Palabras clave:</b></p> <p>Internacionalización Multinacional emergente Habilidades internacionales Unidades de negocio WEG Caso de enseñanza</p>	

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